



County of Los Angeles **CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

September 20, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**FIVE-YEAR OPTION TO RENEW OFFICE LEASE NO. 72382
DEPARTMENT OF PUBLIC SOCIAL SERVICES
2701 FIRESTONE BOULEVARD, SOUTH GATE
(FIRST) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Exercise the option to renew the lease with Firestone Plaza, LLC (Lessor) for an additional term of five years comprising 7,200 rentable square feet of office space located at 2701 Firestone Boulevard, South Gate. The subject premises will be occupied by the Department of Public Social Services' GROW Program, at a maximum annual rental cost of \$94,392, which is 91 percent subvented by State and Federal funds.
2. Find that the lease renewal is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to extend the term of an existing lease for an additional five years, which allows the Department of Public Social Services (DPSS) to maintain continuity of its General Relief Opportunities for Work (GROW) Program. DPSS has operated its GROW Program at the subject facility since October 2000. The facility houses eight DPSS employees, five Los Angeles County Office of Education employees, and a Department of Mental Health employee who provide welfare-to-work training and counseling services for residents of South Los Angeles. Approximately 50-60 clients receive services at this facility on a daily basis.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide workforce excellence (Goal 2) and strengthen the County's fiscal capacity (Goal 4). In this case, the proposed lease renewal supports these goals by providing an efficient working environment that enhances quality and productivity while investing in public infrastructure and facilities that serve the community in a fiscally responsible manner. Compliance with the County's Strategic Asset Management Principles is further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The maximum annual rental cost will be \$94,392.

2701 Firestone Blvd.	Existing Lease	Proposed Lease Extension	Change
Area (Square Feet)	7,200	7,200	None.
Term (Years)	5 years; 10/4/00 to 10/3/05	5 years; 10/4/05 to 10/03/10	5 years.
Maximum Annual Rent	\$82,080 (\$11.40/sq.ft.)	\$94,392 (\$13.11/sq.ft.)	+ \$12,312
Cancellation	After 3 rd Year, upon 60 days notice.	Anytime upon 60 days notice.	None.
Option to Renew	One 5-year option.	None.	No Option.
Parking (included in Rent)	24 spaces	24 spaces	None.
Annual CPI Adjustment*	None.	None.	None.

- * The existing lease does not contain annual rental adjustments; however, the existing lease is subject to a one-time rental adjustment upon the exercise of lease renewal. This one-time rental adjustment is based on changes in the CPI over the initial five-year term capped at 15 percent. The extension term is not subject to any rental adjustments.

Sufficient funding for the proposed lease renewal is included in the 2005-06 Rent Expense Budget and will be billed back to DPSS. DPSS has sufficient funds in its 2005-06 operating budget to cover the projected lease costs. The staff and other direct program costs associated with the GROW program will be 50 percent subvented by Federal funds; however, space expense is included in the department's overhead allocated across all programs and is reimbursed on the Departmentwide 91 percent blended average.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed five-year lease renewal comprises the original 7,200 rentable square feet of office space and 24 parking spaces. The existing terms and conditions of the lease shall prevail throughout the extended term and they are as follows:

- The extension term commences on October 4, 2005 and terminates on October 3, 2010.
- The lease shall remain a full service agreement, whereby the Lessor is responsible for all operating costs associated with the County's tenancy.

- A cancellation provision allowing the County to cancel anytime, upon 60-days advance notice.
- On-site parking for 24 vehicles is included in the rent. Bus and train routes operate in close proximity to the proposed facility giving clients convenient public transportation options.

ENVIRONMENTAL DOCUMENTATION

The Chief Administrative Office (CAO) has made an initial study of environmental factors and has concluded that this project is exempt from CEQA as specified in Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

It is the finding of the CAO that the proposed lease renewal is in the best interest of the County and will continue to provide the necessary space for this County requirement. In accordance with your Board's policy on the housing of any County offices or activities, DPSS concurs in this lease recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return two originals of the adopted, stamped Board letter and two certified copies of the Minute Order to the Chief Administrative Office, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:CWW
CEM:KW:hd

Attachments

c: County Counsel
Michelle Callahan
2701 Firestone.b

DEPARTMENT OF PUBLIC SOCIAL SERVICES
2701 FIRESTONE BOULEVARD, SOUTH GATE
 Asset Management Principles Compliance Form¹

1. Occupancy		Yes	No	N/A
A	Does lease consolidate administrative functions? ²			X
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions? ²			X
D	Does this lease meet the guideline of 200 sf of space per person? ² Lease represents 514 sf per person. Excess due to training rooms.		X	
2. Capital				
A	Should program be in leased space to maximize State/Federal funding?		X	
B	If not, is this a long term County program?	X		
C	Is it a net County cost (NCC) program? Space cost is 91% subvented by State and Federal funds. Space expense is included in the department's overhead and is allocated across all programs.	X		
D	If yes to 2 B or C; capital lease or operating lease with option to purchase?		X	
E	If no, are there any suitable County-owned facilities available?		X	
F	If yes, why is lease being recommended over occupancy in County-owned ?			X
G	Is Building Description Report attached as Attachment B?	X		
H	Was build-to-suit or capital project considered? Build-to-suit and capital projects are cost-prohibitive for projects of this size.		X	
3. Portfolio Management				
A	Did department utilize CAO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal, was co-location with other County departments considered?	X		
D	Why was this program not co-located?			
	1. The program clientele requires a "stand alone" facility.			
	2. X No suitable County occupied properties in project area.			
	3. X No County-owned facilities available for the project.			
	4. Could not get City clearance or approval.			
	5. The Program is being co-located.			
E	Is lease a full service lease?	X		
F	Has growth projection been considered in space request?	X		
G	Has the Dept. of Public Works completed seismic review/approval?	X		
	¹ As approved by the Board of Supervisors 11/17/98			
	² If not, why not?			

ATTACHMENT B

**SPACE SEARCH, 5 MILE RADIUS OF 2701 FIRESTONE, SOUTH GATE
DPSS – 2701 FIRESTONE, SOUTH GATE**

LACO	FACILITY NAME	ADDRESS	GROSS SQ. FT.	NET SQ. FT.	OWNERSHIP	AVAILABLE SQ. FT.
A436	DPSS-Expo Park Family Service Ctr	3833 S. Vermont Ave, Los Angeles 90037	127,511	110,500	Leased	None
C740	DPSS-Florence AP District Office	1740 E. Gage Ave, Los Angeles 90001	60,000	28,601	Owned	None
C741	DPSS-Fiscal Services Office	6367 S. Holmes Ave, Los Angeles 90001	5,220	3,872	Owned	None
Y425	Public Library	1610 E. Florence Ave, Los Angeles 90001	5,124	4,446	Owned	None
6578	DPSS East AP District Office	2855 E. Olympic Blvd, Los Angeles 90023	63,066	29,220	Owned	None
3709	Huntington Park Courthouse	6548 Miles Ave, Huntington Park 90255	29,295	16,325	Leased	None
T409	Huntington Park Courthouse Annex	6548 Miles Ave, Huntington Park 90255	4,480	4,000	Leased	None
5466	Huntington Park Library	6518 Miles Ave, Huntington Park 90255	33,482	24,243	Owned	None
A153	DA-Huntington Park Office	2958 E. Florence Ave, Huntington Park 90255	5,600	4,760	Leased	None
D030	Maywood Cesar Chavez Library	4323 E. Slauson Ave, Maywood	3,362	2,881	Gratis Use	None
A190	Bell Public Library	4411 E. Gage Ave, Bell 90201	4,863	3,515	Leased	None
4465	DF Kirby Center	1500 S. McDonnell Ave, Commerce 90022	18,169	10,117	Owned	None
B460	DPSS-GAIN Region VI Office	5460 Bandini Blvd, Bell 90201	31,400	21,815	Leased	None
A133	CSSD-Admin Headquarters	5770 S. Eastern Ave, Commerce 90040	84,477	63,413	Leased	None
A332	CSSD-Computer Systems Division	5500 S. Eastern Ave, Commerce 90040	48,794	46,354	Leased	None
A570	CSSD-Interstate Division	5701 S. Eastern Ave, Commerce 90040	61,130	55,017	Leased	None
A188	Sheriff Internal Affairs	4900 S. Eastern Ave, Commerce 90040	37,433	31,819	Leased	None
A157	DCFS-Region III Headquarters	5835 S. Eastern Ave, Commerce 90040	38,814	36,873	Leased	None
A580	FIRE-Administrative Office	5801 S. Eastern Ave, Commerce 90040	28,474	25,627	Leased	None
A069	FIRE-Mapping and Engineering	5900 S. Eastern Ave, Commerce 90040	1,720	1,548	Leased	None

ATTACHMENT B

**SPACE SEARCH, 5 MILE RADIUS OF 2701 FIRESTONE, SOUTH GATE
DPSS – 2701 FIRESTONE, SOUTH GATE**

LACO	FACILITY NAME	ADDRESS	GROSS SQ. FT.	NET SQ. FT.	OWNERSHIP	AVAILABLE SQ. FT.
A310	CSSD-Collections Office	5895 Rickenbacker Rd, Commerce 90040	11,394	11,394	Leased	None
A823	FIRE-Fire Prevention	5823 Rickenbacker Rd, Commerce 90040	17,710	15,939	Leased	None
A146	FIRE-Hazardous Materials Division	5825 Rickenbacker Rd, Commerce 90040	16,670	13,737	Leased	None
A446	FIRE-Information Management Division	5815 Rickenbacker Rd, Commerce 90040	3,722	3,350	Leased	None
A427	FIRE-Mapping and Engineering	5847 Rickenbacker Rd, Commerce 90040	7,177	6,100	Leased	None
A183	Sheriff-Homicide Bureau	5747 Rickenbacker Rd, Commerce 90040	17,460	14,563	Leased	None
B059	DA-Auto Insurance Fraud Unit	5901 E. Slauson Ave, Commerce 90040	6,840	6,500	Gratis	None
5374	Woodcrest Library	1340 W. 106 th St, Los Angeles 90044	7,254	5,895	Owned	None
A085	DPSS-Southwest District Office	1326 W. Imperial Hwy, Los Angeles 90044	153,986	127,700	Owned	None
B995	Kenyon Juvenile Justice Center	7625 S. Central Ave, Los Angeles 90001	18,108	11,735	Owned	None
Y264	Probation- Kenyon Justice Center	7672 S. Central Ave, Los Angeles	4,505	2,190	Owned	None
6400	DCSS-Florence Firestone Service Center	7807 S. Compton Ave, Los Angeles 90001	15,928	8,706	Owned	None
5275	DHS-South Public Health Center	1522 E. 102 nd St, Los Angeles 90002	19,060	11,704	Owned	None
5721	DPSS-AP District Office	10728 S. Central Ave, Los Angeles 90002	51,991	32,463	Owned	None
Y426	Graham Library	1900 E. Firestone Bl, Los Angeles 90001	5,125	4,448	Owned	None
Y861	ML King Plant Management	12021 S. Wilmington Ave, Los Angeles	16,000	14,400	Owned	None
A034	Willowbrook Library	11838 S. Wilmington Ave, Los Angeles 90059	2,200	2,039	Leased	None
6819	Probation Firestone Office	8526 S. Grape St, Los Angeles 90001	15,431	10,475	Owned	None
A136	FIRE-Hazardous Materials	7300 E. Alondra Bl, Paramount 90723	1,928	1,830	Leased	None
D980	Hollydale Library	12000 Garfield Ave, South Gate 90280	4,800	4,440	Leased	None
X349	Lynwood Justice Center	11701 S. Alameda St, Lynwood 90262	62,078	53,480	Financed	None
4049	South Gate Courthouse	8640 California Ave, South Gate 90280	186,610	162,955	Owned	None
5934	Weaver Library	4035 Tweedy Bl, South Gate 90280	19,461	16,955	Owned	None

6723	Lynwood Library	11320 Bullis Rd, Lynwood 90262	11,722	10,396	Owned	None
Y460	DPSS-AP District Office	8130 S. Atlantic Ave, Cudahy 90201	30,873	24,212	Owned	None
A680	Cudahy Library	5218 Santa Ana St, Cudahy 90201	4,396	3,332	Leased	None
6467	AG Comm- South Gate Administration	11012 Garfield Ave, South Gate 90280	21,902	15,325	Owned	None
X998	Los Padrinos Juvenile Courthouse	7281 E. Quill Dr, Downey 90242	47,231	24,470	Owned	None
A755	Library Headquarters	7400 E. Imperial Hwy, Downey 90242	68,000	55,733	Financed	None
1203	DHS-Public Health Facilities	12838 Erickson Ave, Downey 90242	19,575	12,170	Owned	None
A308	Bell Gardens Library	7110 Garfield Ave, Bell Gardens 90201	5,119	4,213	Permit	None
5028	DHS-Public Health Laboratories	12730 Erickson Ave, Downey 90242	38,229	19,996	Owned	None
D600	Downey Courthouse	7500 E. Imperial Hwy, Downey 90242	103,502	78,996	Financed	None
1100	DHS-Public Safety Headquarters	7601 E. Imperial Hwy, Downey 90242	15,482	9,221	Owned	None
6319	Bilbrew Library	150 E. El Segundo Bl, Los Angeles 90061	21,843	18,287	Owned	None
4403	South Services Agency	360 W. El Segundo Bl, Los Angeles 90061	2,584	1,901	Owned	None
A552	DCSS-Willowbrook Career Center	12700 Avalon Bl, Los Angeles 90061	24,706	23,471	Leased	None
6465	DCSS-Willowbrook Senior Center	12915 S. Jarvis Ave, Los Angeles 90061	12,858	8,670	Owned	None
A561	DHS-Dollarhide Health Center	1108 N. Oleander Ave, Compton 90222	4,685	2,537	Leased	None
6420	Compton Courthouse	200 W. Compton Bl, Compton 90220	576,467	205,939	Owned	None
5982	Compton Library	240 W. Compton Bl, Compton 90220	43,842	15,830	Owned	None
A556	DMH/DCFS- Compton Family Services Center	921 E. Compton Bl, Compton 90221	60,180	57,172	Leased	None
X169	DPSS-AP Office	211 E. Alondra Bl, Compton 90220	48,135	38,777	Owned	None
A620	East Rancho Dominguez Library	4205 E. Compton Bl, Rancho Dominguez 90221	5,000	4,529	Leased	None
A560	DCSS-East Rancho Dominguez Center	4513 E. Compton Bl, Rancho Dominguez 90221	4,436	3,188	Leased	None